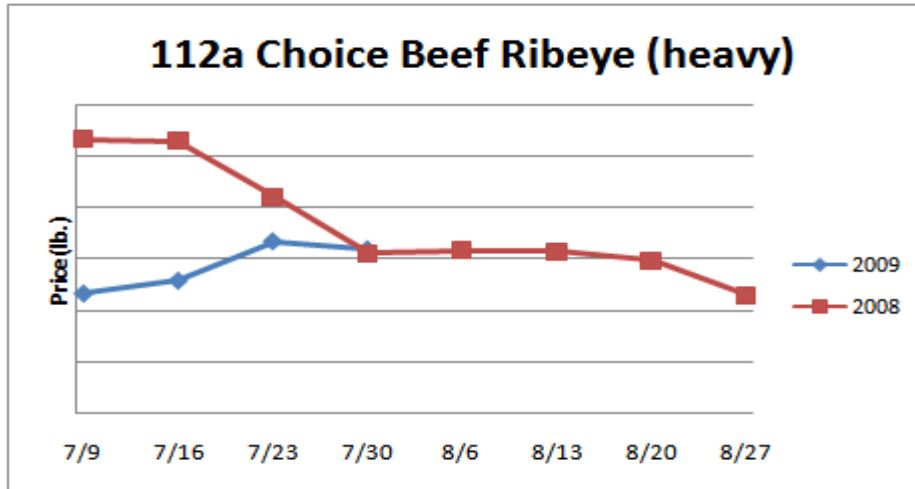


Beef, Veal and Lamb Report

Beef, Veal & Lamb- The July 1st US cattle on feed inventory was 5.3% smaller than last year. Cattle placements into feedlots during June were the smallest for any month in 13 years. The August 1st near slaughter ready cattle supply is estimated to be 2% less than the 3 year average. Models suggest that near slaughter ready cattle supplies could tighten considerably during the late fall. The beef markets are mixed. Buyers are reported to be slowing purchases which could influence many of the beef markets downward. June beef cow slaughter was the smallest for the month since 2005.



	<u>Market Trend</u>	<u>Supplies</u>	<u>Price vs. Last Year</u>
Live Cattle (Steer)	Decreasing	Good	Lower
Ground Beef 81/19	Increasing	Good	Lower
Ground Chuck	Increasing	Good	Lower
109 Export Rib (choice)	Decreasing	Good	Lower
109 Export Rib (prime)	Increasing	Good	Lower
112a Ribeye (choice)	Decreasing	Good	Higher
112a Ribeye (prime)	Increasing	Good	Lower
115 Chuck, 2-piece (choice)	Increasing	Good	Lower
120 Brisket (choice)	Increasing	Good	Higher
121c Outside Skirt (ch/sel.)	Decreasing	Good	Lower
167a Knuckle, Trimmed (choice)	Increasing	Good	Lower
168 Inside Round (choice)	Increasing	Good	Lower
174 Short Loin (choice 0x1)	Increasing	Good	Higher
174 Short Loin (prime 2x3)	Increasing	Good	Lower
180 1x1 Strip (choice)	Decreasing	Good	Higher
180 1x1 Strip (prime)	Decreasing	Good	Lower
180 0x1 Strip (choice)	Decreasing	Good	Lower
184 Top Butt, boneless (choice)	Steady	Good	Lower
184 Top Butt, boneless (prime)	Increasing	Good	Lower
185a Sirloin Flap (choice)	Decreasing	Good	Higher
185c Loin, Tri-Tip (choice)	Increasing	Good	Lower
189a Tender (select, 5 lb & up)	Decreasing	Good	Lower
189a Tender (choice, 5 lb & up)	Decreasing	Good	Lower
189a Tender (prime, heavy)	Decreasing	Good	Lower
193 Flank Steak (choice)	Increasing	Good	Higher
50% Trimmings	Decreasing	Good	Lower
65% Trimmings	Increasing	Good	Lower
75% Trimmings	Increasing	Good	Lower
85% Trimmings	Increasing	Good	Lower

90% Trimmings	Increasing	Good	Lower
90% Imported Beef (frozen)	Increasing	Good	Lower
Veal Rack (Hotel 7 rib)	Decreasing	Good	Lower
Veal Top Round (cap off)	Decreasing	Good	Lower
Lamb Rack 7 & up	Decreasing	Good	Lower
Lamb Leg (trotter off)	Decreasing	Good	Higher

*This data and these comments are provided for information purposes only and are not intended to be used for specific trading strategies. Past financial results are not necessarily indicative of future performance. Any examples given are strictly hypothetical and no representation is being made that a person will or is likely to achieve profits or losses similar to those examples. Neither the information, nor any opinion expressed constitutes a solicitation to buy or sell futures or options on futures contracts or OTC products. Covered parties (as defined below) shall not be liable for any direct, indirect, incidental, special or consequential damages of any kind, whatsoever (including attorney's fees and lost profits or savings) in any way due to, resulting from, or arising in connection with the Market Trends Report, including its content, regardless of any negligence of the covered party including but not limited to technical inaccuracies and typographical errors. "Covered Parties" is defined as American Restaurant Association Inc., ARA Trading and the employees of both companies. Commodity trading involves risks, and you should fully understand those risks before trading. © 2007 American Restaurant Association Inc. This publication is protected under U.S. copyright law. Please do not redistribute without permission. Thank you.